

SENATE BILL REPORT

SB 6572

As Reported By Senate Committee On:
Labor, Commerce, Research & Development, February 05, 2008

Title: An act relating to off-premises microbrewery warehouses.

Brief Description: Allowing microbreweries to maintain off-premises warehouses for distribution.

Sponsors: Senators Spanel, Jacobsen, Kohl-Welles and McDermott.

Brief History:

Committee Activity: Labor, Commerce, Research & Development: 1/24/08, 2/05/08 [DPS].

SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 6572 be substituted therefor, and the substitute bill do pass.

Signed by Senators Kohl-Welles, Chair; Keiser, Vice Chair; Holmquist, Ranking Minority Member; Franklin, Hewitt, King, Murray and Prentice.

Staff: Mac Nicholson (786-7445)

Background: Microbreweries are authorized to distribute their product directly to licensed retailers.

Summary of Bill (Recommended Substitute): Subject to approval by the Liquor Control Board (LCB), microbreweries operating as self-distributors are authorized to maintain one off premise warehouse for the distribution of beer.

EFFECT OF CHANGES MADE BY LABOR, COMMERCE, RESEARCH & DEVELOPMENT COMMITTEE (Recommended Substitute): The requirement that the LCB approve the off premise warehouse is added.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains several effective dates. Please refer to the bill.

Staff Summary of Public Testimony on Original Bill: PRO: Current law allows brewers to have off-site warehouses, but the brewers can't deliver beer from them. Rather, the beer must

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go back to the brewery and be distributed from there. Brewers outside the Seattle area spend lots of time driving back and forth on I-5, and with increased fuel costs, brewers are looking to reduce costs. The bill would allow breweries to take trucks off the road.

Persons Testifying: PRO: Charlie Sullivan, Skagit River Brewery; Arlen Harris, Washington Brewers Guild; Ron Main, Washington Beer and Wine Wholesalers.